

## Message Text

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PAGE 01 STATE 104380  
ORIGIN EB-08

INFO OCT-01 ARA-10 ISO-00 L-03 INR-10 SSO-00 INRE-00  
SS-15 SP-02 /049 R

DRAFTED BY EB/TEX:WBREW:AAM  
APPROVED BY EB/TEX:WBREW  
EB/STA: JSPIRO  
ARA/ECP: WBURSON  
EB/STA:JSPIRO

-----043780 242231Z /62

O 242207Z APR 78  
FM SECSTATE WASHDC  
TO AMEMBASSY MEXICO IMMEDIATE

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STADIS/////////////////////////////////  
FOR ST. JOHN (TEXTILE DEL)

E.O. 11652: N/A

TAGS: ETRD, MX

SUBJECT: TEXTILES/TARIFF ITEM 807

FOLLOWING IS TEXT OF PAPER OUTLINING STATE DEPT VIEWS ON  
807; PAPER WAS PREPARED FOR USE DURING H.R. TRADE  
SUBCOMMITTEE 1976 HEARINGS ON REPEAL BUT WAS NEVER USED:  
BEGIN TEXT

PRESSURE FROM TEXTILE INTERESTS FOR REPEAL OF TSUS ITEM 807  
IS UNFOUNDED IN LIGHT OF THE PROTECTION PROVIDED THE  
DOMESTIC TEXTILE INDUSTRY UNDER OUR TEXTILE IMPORT RESTRAINT  
PROGRAM, CONDUCTED WITHIN THE FRAMEWORK OF THE INTERNATIONAL  
ARRANGEMENT REGARDING TRADE IN TEXTILES (MFA).

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SINCE 1970, THE USG HAS NEGOTIATED MULTIFIBER BILATERAL  
RESTRAINT AGREEMENTS WITH MEXICO, HAITI, COLOMBIA, AND THE  
PHILIPPINES, WHICH TOGETHER SUPPLY 69 PERCENT OF ALL U.S.  
APPAREL IMPORTS UNDER ITEM 807.

THESE AGREEMENTS PUT A CEILING ON ALL IMPORTS OF TEXTILE

PRODUCTS FROM THESE COUNTRIES, INCLUDING 807 TRADE.  
FURTHERMORE, UNDER THE MFA, THE USG HAS THE RIGHT TO TAKE  
UNILATERAL RESTRAINT ACTION AGAINST IMPORTS FROM THOSE  
COUNTRIES WITH WHICH WE DO NOT HAVE BILATERAL AGREEMENTS

IF THEY THREATEN DISRUPTION OF THE DOMESTIC MARKET. WE  
HAVE NOT, THUS FAR TAKEN UNILATERAL ACTION AGAINST  
UNCONTROLLED COUNTRIES BECAUSE THE 807 TRADE FROM THEM  
HAS NOT BEEN REGARDED AS DISRUPTIVE. THE USG MONITORS  
THIS TRADE VERY CLOSELY, AND MAY SEEK NEGOTIATIONS WITH  
UNCONTROLLED 807 SUPPLIERS IN THE CARIBBEAN WHENEVER  
THEIR EXPORTS THREATEN MARKET DISRUPTION.

IN ADDITION TO THE PROTECTION AFFORDED BY THE TEXTILE  
IMPORT RESTRAINT PROGRAM, THE TRADE ACT OF 1974 ALLOWS  
THE PRESIDENT TO SUSPEND 807 TREATMENT FOR PARTICULAR  
PRODUCTS FROM PARTICULAR COUNTRIES IF THE INTERNATIONAL  
TRADE COMMISSION FINDS THAT A DOMESTIC INDUSTRY IS BEING  
INJURED BY SUCH IMPORTS.

IN VIEW OF THE PROTECTION FROM IMPORTS UNDER ITEM 807  
WHICH IS AVAILABLE TO THE TEXTILE INDUSTRY THE STATE  
DEPARTMENT BELIEVES THAT ANY ACTION TO REPEAL THIS  
PROVISION FOR TEXTILES IS UNWARRANTED; FURTHERMORE,  
REPEAL WOULD BE CONTRARY TO OUR EXPRESSED FOREIGN POLICY  
GOAL OF ENCOURAGING DEVELOPING COUNTRIES TO COMPETE  
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SUCCESSFULLY IN WORLD MARKETS. END TEXT.

WE ARE TRYING TO OBTAIN A COPY OF ADMINISTRATION  
TESTIMONY; WE WILL SEND EXCERPTS WHEN OBTAINED. VANCE

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NNN

## Message Attributes

**Automatic Decaptioning:** Z  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** TEXTILES, PAPERS, TEXT, TARIFFS, TRADE AGREEMENTS, IMPORT QUOTAS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 24 apr 1978  
**Decaption Date:** 20 Mar 2014  
**Decaption Note:** 25 YEAR REVIEW  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978STATE104380  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** WBREW:AAM  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780175-0391  
**Format:** TEL  
**From:** STATE  
**Handling Restrictions:**  
**Image Path:**  
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**Legacy Key:** link1978/newtext/t19780423/aaaaatdt.tel  
**Line Count:** 98  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** b12449a8-c288-dd11-92da-001cc4696bcc  
**Office:** ORIGIN EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** STADIS  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** STADIS  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 05 may 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** N/A  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 2867374  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** TEXTILES/TARIFF ITEM 807 FOLLOWING IS TEXT OF PAPER OUTLINING STATE DEPT VIEWS ON 807; PAPER WAS PREPARED FOR USE DURING H.R. TRADE  
**TAGS:** ETRD, MX, US  
**To:** MEXICO  
**Type:** TE  
**vdkgvkey:** odb://SAS/SAS.dbo.SAS\_Docs/b12449a8-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
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20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014